ABSTRACT:

An apparatus and method for activating a security module in a set-top terminal purchased from a retailer. A set-top terminal, along with a security device, is purchased from a retailer. This security device is a removable module that is inserted into the set-top terminal to permit reception of the services from the system operator. The security device includes a serial number that is registered with the system operator, and a physical layer key. The physical layer key cannot be read if the security device is disassembled. The set-top terminal is provided to the customer. The security device is retrieved by the retailer, who activates the security device by obtaining credit information from the customer, performing a credit check on the customer, establishing an account with the system operator, and retrieving an activation key from a system administrator. The activation key is a key that is downloaded to the security device to permit the reception of premium services from said system operator. The security device is then provided to the customer for insertion into the set-top terminal.

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